



ARMY ACQUISITION REFORM



Issue 3

15 December 1995

AMC Reduces ALT/PALT

Army Materiel Command (AMC) exceeds DoD goal of 25% reduction of Administrative Lead Time (ALT) and Production Lead Time (PALT) for secondary items.

ALT is the time from requirement to contract award and PALT is the time from contract award to delivery. As of June 1995 AMC has reduced ALT 29% and PALT 38%.

PEO-ASM Saves \$20 M

The unit cost of the ABRAMS tank commander's independent thermal viewer was reduced from \$300,000 to \$225,000 by:

- Breakout
- Multi-year Contract
- Partnering Agreement
- Certificate of Conformance
- EDI
- Performance Spec's
- TDP Cost Reduction
- Contractor Configuration Control
- Reduced Gov't Oversight
- 18 Month Failure-free Provision

Prime Vendor Program

USAMEDCOM at Ft Sam Houston expanded program to Direct Health Care providers and dental supplies. This resulted in lead time reductions from 150 to 40 days, delivery reductions to 1 day for urgent and 5 days for routine and dramatic inventory reductions.

Performance Spec Saving

TACOM, working with big-3 and Society of Automotive Engineers developed SAE F512 for Tube Fittings replacing military Spec's. The unit price dropped 37%, 68% and 50% for three different parts.

Missile Acq Reform Savings

Javelin	\$ 1.4 Billion
Longbow	\$ 863 Million
ATACMS/BAT	\$946 Million

Army Credit Cards

- 300% Growth in FY 95
- 1 million transactions
- Over 400 million dollars
- Largest program in Government
- Many self service supply centers closed
- Level of fraud reduced
- FORSCOM biggest user, more work with less people, \$27 million in savings